

Hearing Date and Time: July 14, 2010 at 2:00 p.m. (Prevailing Eastern Time)

Dennis F. Dunne
Evan R. Fleck
MILBANK, TWEED, HADLEY & McCLOY LLP
1 Chase Manhattan Plaza
New York, NY 10005
Telephone: (212) 530-5000

David S. Cohen
Adrian C. Azer (admitted *pro hac vice*)
MILBANK, TWEED, HADLEY & McCLOY LLP
1850 K Street N.W., Suite 1100
Washington, DC 20006
Telephone: (202) 835-7500

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	: Chapter 11
	: Case No. 08-13555 (JMP)
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: Debtors.
	: (Jointly Administered)
LEHMAN BROTHERS HOLDINGS INC. and	----- X
LEHMAN BROTHERS SPECIAL FINANCING INC.	: Adv. Proc. No. 10-03228 (JMP)
Plaintiffs,	: - against -
NOMURA INTERNATIONAL PLC,	: Defendant.
LEHMAN BROTHERS HOLDINGS INC. and	----- X
LEHMAN BROTHERS SPECIAL FINANCING INC.	: Adv. Proc. No. 10-03229 (JMP)
Plaintiffs,	: - against -
NOMURA SECURITIES CO., LTD,	: Defendant.
	----- X

**REPLY OF OFFICIAL COMMITTEE OF
UNSECURED CREDITORS IN SUPPORT OF MOTION TO
INTERVENE IN ADVERSARY PROCEEDINGS**

In support of its motion (the “Motion”) to intervene in the above-captioned adversary proceedings (the “Adversary Proceedings”), the Official Committee of Unsecured Creditors (the “Committee”) of Lehman Brothers Holdings Inc., et al. (collectively, the “Debtors”) files this Reply to (i) the Submission of William Kuntz, III (the “Kuntz Submission”), and (ii) the Response of Nomura International PLC and Nomura Securities Co., Ltd. to the Motion (the “Nomura Response”).

I. The Kuntz Submission Provides No Basis to Deny Intervention

The Kuntz Submission does not articulate any basis upon which the Court should deny the Committee its statutory right to intervene in the Adversary Proceedings. The Adversary Proceedings present important issues regarding calculation of damages under swap agreements and substantial claims against the Debtors’ estates. The Committee has determined that it is necessary and appropriate that it participate in this litigation to ensure that the Debtors maximize recovery for the benefit of the Debtors’ unsecured creditors. Accordingly, to the extent Mr. Kuntz requests a denial of the Motion, this request should be denied.

II. The Nomura Response Presents No Objection to Intervention

Nomura International PLC and Nomura Securities Co., Ltd. (together, the “Defendants”) do not object to the Committee’s intervention in the Adversary Proceedings. (See Nomura Response, ¶ 2.) Rather, the sole purpose of their response is to suggest, with no factual support, that the Committee has adopted the Debtors’ complaints without conducting any diligence and has improperly taken a position adverse to the Defendants, which are themselves unsecured creditors of the Debtors.

Contrary to the Defendants' assertions, the Committee has conducted independent diligence into the prepetition relationship between the Debtors and the Defendants that gave rise to the claims raised in the Adversary Proceedings. Based on that diligence, the Committee has determined that the pursuit of these claims is in the best interests of unsecured creditors. Under circumstances such as those present here (i.e., when the law and facts do not support the claim of a creditor), taking a position adverse to an individual unsecured creditor is entirely consistent with a creditors' committee's statutory duties. See In re Levy, 54 B.R. 805, 807 (Bankr. S.D.N.Y. 1985) ("a creditors committee has the right to object to a claim filed by an individual creditor").

To the extent that the Kuntz Submission and the Nomura Response are considered objections to the Motion, they should be overruled. The Committee respectfully requests that the Motion be granted.

Dated: New York, New York
July 12, 2010

MILBANK, TWEED, HADLEY & McCLOY LLP

By: /s/ Dennis F. Dunne
Dennis F. Dunne
Evan R. Fleck
1 Chase Manhattan Plaza
New York, NY 10005
Telephone: (212) 530-5000

David S. Cohen
Adrian C. Azer (admitted *pro hac vice*)
1850 K Street N.W., Suite 1100
Washington, DC 20006
Telephone: (202) 835-7500